PORTSMOUTH
CATHEDRAL

PORTSMOUTH CATHEDRAL

THE CATHEDRAL CHURCH OF
ST THOMAS OF CANTERBURY
PORTSMOUTH

ANNUAL REPORT AND AUDITED ACCOUNTS

YEAR ENDED 31 DECEMBER 2025

Charity Number 1207410

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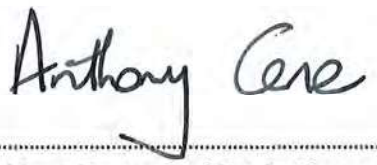
Preface

This year's Annual Report and Audited Accounts have been produced in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102. It also complies with guidance issued by the Association of English Cathedrals. A copy of the charity regulations may be found online at the gov.uk website.

A simplified version of the accounts is, as usual, being made available at the Annual Parochial Church Meeting this year, this will go together with this report of the activities of the Cathedral and its various groups.

To reduce printing costs, this formal version of the report will be made available on the Cathedral website: www.portsmouthcathedral.org.uk. Paper and large print copies can be made available for those who wish to have them; please ask for a copy from the Cathedral Office, telephone: 02392 823300, email: info@portsmouthcathedral.org.uk.

Last year I wrote that the Cathedral was still struggling to achieve sufficient income to cover its costs, even though the welcome gift of several legacies made it look as though we were in surplus. In these 2025 accounts, the truth of this is clear, and the gap between expenditure and income is far too high. During the year, however, we have worked hard to decrease our expenditure for 2026, manage costs tightly going forward, and increase our income. This is a task both for today, and for the coming years.



The Very Reverend Dr Anthony Cane

Dean of Portsmouth

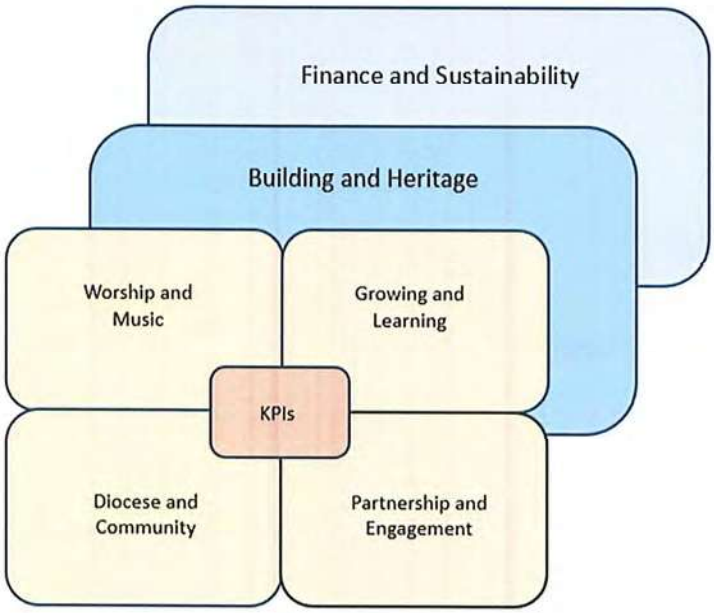
Cathedral Vision

Portsmouth Cathedral: a beacon and safe haven, anchored in Jesus Christ.

For centuries Portsmouth Cathedral has been a beacon for people on land and at sea, helping them navigate the passage of time with faith and confidence in God. It is a building of greatness and simple enduring beauty, and a lively, inclusive, and compassionate community which has a positive impact on the lives of people in its own parish, as well as the City and Diocese of Portsmouth.

Underpinning all activities is our Vision and Strategy. Launched in 2020, with six separate, but interdependent objectives, it remains central to the work of the Cathedral as we seek, as a Cathedral community, to live out our mission. During 2025 we revisited our Vision and Strategy to create a Business Plan and confirm the core purpose activities that the Cathedral exists to deliver. Associated organisational Key Performance Indicators (KPIs) have been agreed, linked to the Vision and Objectives. This is a new approach to development and delivery of Cathedral activities that will form the basis of the Business Plan for 2027-2029.

Our working principle is to place the KPIs at the centre of the four overlapping Objectives, demonstrating how all agreed activities contribute to the achievement of all Objectives and Key Performance Indicators, promoting teamwork and avoiding silo working.



The four central organisational KPIs agreed with Chapter for the next three years are:

- **Grow the congregations**
- **Increase Cathedral visits and maintain good experience scores**
- **Reduce the deficit to zero over three years**
- **Fundraise for essential capital works whilst also funding the master plan.**

These must be delivered in parallel with our Charitable purpose as 'The seat of the Bishop and a centre of worship and mission'.

We have summarised our core activities as delivering:

- A daily round of worship
- Pastoral response to visitors and congregation
- Serving the Diocese and the City
- Health & Safety and Charity Compliance including Safeguarding
- Ensuring a thriving Choir to deliver Choral Music
- Open for all, 365 days a year
- Maintenance and conservation of the buildings in our care

In the following pages we highlight our work relative to each objective and how progress has been made to help realise our vision to be 'a beacon and safe haven, anchored in Jesus Christ.'

Achievements and highlights in 2025 and a forward look to 2026

Worship and Music

Achievements and highlights in 2025

The Epiphany season and Candlemas provided an uplifting start to the year, with The Blessing of the Sea on the feast of the Baptism of Christ successfully repeated and choristers taking part this time. Thanks to the RNLI launch crew for being willing to stand by!

There was an excellent Choir tour (Girl Choristers) to Estonia and Riga in February, and the second Early Music Festival in March built encouragingly on the previous year.

The Cathedral Choir (Boy Choristers) enjoyed their tour to Antwerp and Mechelen in May, and managed a busy music schedule via public transport really well. The Choir year ended in July with a BBC broadcast of Choral Evensong on Radio 3 celebrating both Thomas the Apostle and Thomas of Canterbury.

There were 10 Deacons and 18 Priests ordained and a large attendance at both services.

We hosted a number of placements during the year for curates and for those in the discernment process, who all benefited from the experience and opportunities we offer here.

The Choir Church projects begun in 2024 continued to flourish, with a showcase of their singing at Diocesan Synod in June. A second cohort got underway in September.

Choir outreach included services at Greatham, Privett, Salisbury Cathedral, Milton and Lock's Heath.

Even though the intern numbers based at PGS reduced from 6 to 4 this year, funding was found for two additional choir places (one Scholar and one Lay Clerk) to help with Choir Church and the new Small Sounds

project (sponsored by CMT) which started in the autumn and has proved really popular with 0-4 year olds and their grown-ups.

Choir numbers were particularly encouraging this year, with 70 choristers on the books by the end of the summer term, thanks to the Junior Choir opportunities on Mondays and Thursdays. Also the new Gap year intake included the 150th Scholar during David Price's time here – a really significant achievement as he celebrates his 30th anniversary in post, with a number of choral and social occasions through to July 2026.

The Honorary Canons all preached during the year on the theme 'Why I believe' (reflecting the 1700th anniversary of Nicaea) and we were grateful for the help and cover offered by our PtO clergy especially in the summer months.

Planned jointly with Canon Harriet, we began to keep a Season of Creation this year from September to early October, and our Harvest festival celebrated the 'Harvest of the Sea.' All Souls' services were well attended in early November, after a year which included a number of 'Cathedral' bereavements.

There was an excellent response to the Big Give week in early Advent, with over £20,000 raised for the Music foundation – and our four Christmas Carol services also raised more in donations than previous years.

Pompey Sundays has grown considerably this year with a number of new families joining the congregation (6). Two children were admitted to communion in January and another two in December, following five the previous year. As well as visits to the beach and the Garden of Hope in Southsea, Pompey Sundays welcomed guest speakers from the Library of Things, and the Portsmouth Homeless Outreach Team.

Worship Statistics taken from the National Statistics provided to the Church of England:

Number of:	2024	2025	Comments
People on the Electoral roll	325	222	Reduction due to renewal
Children and young people (under 16) Sundays	17	40	
Children and young people (under 16) mid-week	22	60	
Adults (16 years old and over) Sundays	216	242	
Adults (16 years old and over) mid-week	214	162	Two large additional services in 2024 – Service for the Legal Profession and a memorial.
Fresh expressions and other community services	1,079	895	
Regular services not weekly e.g. Taizé	829	379	
People at Services outside the Cathedral building:	473	1,338	No of services: 2024:4 2025:7
People attending worship (including communicants) at Easter services:	666	664	
People attending worship (including communicants) at Christmas services:	1,892	2,005	
People attending services and events during Holy Week:	1,346	1,367	
People attending services and events during Advent	7,098	7,174	

Looking forward to 2026

We have the City Centenary celebrations this year to which the Cathedral and Cathedral Choir are making significant contributions – alongside planning for our own Centenary and that of the Diocese in 2027.

The third Festival of Early Music is taking place – with our Gabrieli, Baroque Alchemy, Solent Symphony Orchestra and Portsmouth Grammar School partners – culminating in Handel's Messiah, once again with chorister and Lay Clerk/former Scholar soloists.

We will be recording a BBC Radio 4 Sunday programme in June to be broadcast for Sea Sunday.

A further new cohort of Choir Church projects is planned for September to start the new academic year, and the Small Sounds project will continue and develop under Eliot and one of the new Scholar intake.

A bigger target is already in sight for this year's Big Give fundraising campaign in early December!

Growing and Learning

Achievements and highlights in 2025

Schools

Our work with schools continues to grow, led by our Learning & Schools Officer and a team of education volunteers. In 2025, the Cathedral hosted 16 workshops for primary schools (1,120 children in total) designed to enhance their Key Stage 1 and 2 RE curricula and 1 workshop for GCSE students.

Our local primary school, St Jude's CE Primary School, situated within the Cathedral's parish, continue to attend the Cathedral for regular Collective Worship at Easter and Harvest, and this year for a special Military Child Celebration (over 10% of the school's pupils are military children).

The Cathedral, in partnership with the Diocese of Portsmouth, hosted Leavers' Workshops and Worship led by the Bishop of Portsmouth, for all year 6 students attending a CE primary school in July 2025 (931 pupils attended the workshops and an additional 401 came to the services.)

We have held free family activities during school holidays (February, April and October) focused on seasonal themes, designed to increase visitor numbers to the Cathedral and offer a resource for families.

Adult Learning and Formation

We have continued to deliver the *Exploring the Bible* series of short courses with a February course on Galatians & Ephesians (15 attendees) and a September course on the Psalms (10 attendees). These have attracted those exploring the faith for the first time as well as life-long Christians.

Our Lent Course for 2025, *Picturing the Passion*, was based on the Lent and Holy Week art exhibition *Sarum Cycle* by artist Nicholas Mynheer which was on display in the Ambulatory during the season. There was an additional talk given by the artist with 20 attendees, during Lent.

Our weekly Bible study group, *The Word is Near*, continues to flourish, attracting several new members (10 regular) and provides a resource for those who wish to explore the scriptures at depth on a regular basis.

In Advent 2025, we ran a series of four 30-minute silent prayer sessions, *Silence in Heaven*, in the Chapel of Healing & Reconciliation, which were attended by 12 people, and attracted some who were new to the Cathedral.

In 2025, 6 children attended a confirmation course and were confirmed at the Easter vigil service. (5 were choristers, and 1 a young person from Pompey Sundays).

Exhibitions

In February the Cathedral hosted the *Little Hope Gallery* exhibition of paintings by Ukrainian children who were taking part in art therapy sessions in Ukraine. The exhibition was launched with a special Evensong followed by an evening of talks by those who were leading the project in Ukraine, as well as a performance from the Ukrainian Community Choir, based in Portsmouth.

The *Sarum Cycle* by artist Nicholas Mynheer was on display throughout Lent, Holy Week and Easter, informing our worship, Lent course, and some of our school workshops (see above).

In June, the Cathedral hosted the *Speak their Name* Suicide Memorial Quilt for Hampshire and Isle of Wight, for the second time.

Anna Chaplains

This team now consists of 5 Anna Chaplains and 2 Anna Friends. Work has expanded to include worship in two care homes and a regular coffee and activities morning, Coffee with Anna which welcomes approximately 15-20 people. The Anna Chaplaincy has also held a Holy Week worship and Coffee and Carols at Christmas, both aimed at providing a relaxed setting for older people and those living with dementia to worship together with their families.

Statistics taken from the National Statistics provided to the Church of England:

Number of:	2024	2025	Comments
People at Graduation ceremonies	200	120	No of events: 2024:1 2025:1
People at Services for schools (not regular), e.g. end of term services	7,955	6,980	No of services: 2024:18 2025:19
People at Other public or civic events, conferences/meetings, concerts	5,762	11,964	No of events: 2024:42 2025:99
School workshops/adult education:			
Nursery / pre-prep / KS1	354	518	
Primary / Prep / KS2	2,931	2,154	
Secondary / Senior / KS3-4	41	21	
16-18 years old	31	0	
18+ years old	54	578	
Other visitors to the Cathedral (non-paying and not at events or services)	16,843	15,219	

Looking forward to 2026

We are delighted to be able to host Nicholas Mynheer's exhibition, *Sanctuary*, in 2026, which will explore themes of journey, safety and migration through painting and sculpture. Portsmouth Cathedral will be the

first to host this exhibition with the hope that it will travel to other Cathedrals in due course, notably to Canterbury.

The Education team are planning to deliver a GCSE RE Conference in 2026. The aim is to give KS4 students an opportunity to hear from speakers and to take part in interactive activities based on their RE curriculum as well as to have the opportunity to interact with students from other local schools, and to visit the Cathedral itself.

In 2026 work will begin on a Congregational Growth Plan, one of the key areas identified as a key performance indicator in the Cathedral's business plan. This project will be led by the Canon Chancellor with support from other members of the Ministry Team, staff and current congregations.

With the move of the shop from the North Tower Transept, a working group will begin to look at the viability of the space for hosting regular art exhibitions, and in-house exhibitions.

Diocese and Community

Achievements and highlights in 2025

The Cathedral has continued to support the Diocese through hosting of key services such as ordinations and the Chrism Eucharist. Invitations to parishes are sent out regularly and groups welcomed when prayed for at Evensong.

The College of Canons met in September and were briefed on the master planning process with Bishop Jonathan again encouraging the links offered by the appointment of Lay and Honorary Canons. A number of installation services were held throughout the year including that of for the new Archdeacon of Portsdown, the Venerable Bob White.

Major civic services continue as part our annual offering: the City Service (with the newly elected Lord Mayor and other councillors in attendance) and the Seafarers Service with its procession down to The Solent and annual wreath laying. We were pleased to welcome as preacher one of our Canons Theologian, the Revd Canon Dr Duncan Dormor, along with representatives of The Sailors' Society.

Dean Anthony was again invited to be one of the Lord Mayor's Chaplains. His attendance at City Council Meetings and civic events including Remembrance Day and a wide range of commemorations throughout the year continues to contribute to the Cathedral's visibility and engagement in the civic life of the city.

Statistics taken from the National Statistics provided to the Church of England:

Number of:	2024	2025	Comments
People at Diocesan or Episcopal services	1,590	3,546	No of services: 2024: 9 2025:13
People at Special services (excluding memorials):	1,934	2,653	No of services: 2024:11 2025:18

Looking forward to 2026

We are looking forward to hosting Civic services to celebrate Portsmouth 100 as well as being part of other events and activities with them. We are also working closely with the Diocese through our joint 100th Anniversary through 2027.

In February, we will be hosting the Coat of Hopes, a precious patchwork garment which is on a long-term pilgrimage through the UK, and has been made by, worn and walked by more than 2000 people, for a distance of over 2000 miles so far, carrying their hopes in the face of climate and ecological breakdown.

In March 2026 Bishop Jonathan announced the appointment of the Revd Dr Mark Davidson KHC Royal Navy as a Canon of Honour. As the Cathedral of the Sea, we welcome this continued link with the Chaplain of the Fleet following the Venerable Andrew Hillier's retirement in September.

Buildings and Heritage

Achievements and highlights in 2025

The changes in COO and lack of funding resulted in a reduction in planned repairs to the estate and Cathedral. The energy efficiency work funded by the Net Zero Quick Wins grant has been delayed as costs were higher than anticipated. Good progress has been made on changing to LED lights in the back-of-house areas of the Cathedral. The costs and approach needed for insulating the Cathedral's pitched roofs have been investigated. This will make it easier to find funding for this in the future.

The first and some of the second phase of the Master Plan process and consultation have taken place. The draft pulls together all the previous reports and creates a coherent narrative of what should guide development of the Cathedral and the Cathedral Green for the next 15 years. This work is largely funded by a generous grant from the Church Commissioners Sustainability Fund and involves a wide range of stakeholders within the Cathedral, our existing communities, external agencies, disengaged audiences and more.

The windows in Cathedral House were in a poor state of repair and the South and worst North-facing windows have been repaired or replaced.

Looking forward to 2026

The decoration and repairs to the Bell Tower are planned for September 2026. The five-yearly Quinquennial Inspection is planned for June. Once completed, we are going to look at packaging repairs together in a bid to the new government funding which is due to be launched for places of worship.

Once the Master Plan has been completed in the first quarter of the year, we will share the plan with our internal planning bodies to seek their input into the best proposals to take forward and look for funding for the different projects.

One of our significant risks is providing the power for large events and a solution will be investigated and delivered as this is crucial to growing our income from events.

Partnership and Engagement

Achievements and highlights in 2025

We have built on the 2024 partnership with Portsmouth City Council where we offered an occasional emergency shelter. In 2025 we confidently worked with Portsmouth City Council and the Society of St James to deliver a night Shelter in Becket Hall from October 2025 until 31st March 2026.

2025 was a year of testing and trying different styles of events to see which drove the best engagement and helped our financial sustainability. The year began with the Cathedral hosting Luxmuralis, an immersive light and projection installation that transformed the interior of the building through large-scale digital artworks. The installation was well received by visitors, supported by strong promotion and media coverage including features on BBC and ITV regional news. However, ticket sales did not reach the levels originally anticipated. BDO, the business advisory firm that is working with the Church of England to look at best practice in the operation of Cathedrals, suggests that this is because we are not yet known as a premium events space. Over 15,000 people attended the 107 events.

The past year has seen Portsmouth Cathedral's events programme continue to evolve, balancing financial sustainability with a commitment to community engagement and cultural activity. Over the twelve-month period the Cathedral has hosted a wide range of events, from commercial concerts and large public gatherings to community initiatives, exhibitions, and civic activity. This mix has helped ensure the building remains both financially resilient and welcoming to a broad range of audiences.

In 2025 our marketing activity continued to expand across digital platforms, with a consistent presence on Facebook, Instagram, X, Threads, LinkedIn and YouTube. Overall engagement remained strong, although our engagement rate dipped as the volume of outbound messaging increased significantly and we broadened our platform mix. Posting more regularly and diversifying channels has strengthened visibility, but it has also highlighted the importance of refining format, targeting and messaging to ensure activity translates into meaningful interaction and website traffic.

The new combined Welcome Area at the main Cathedral entrance is now open. This project, which has been funded by the National Lottery Heritage Fund and delivered in partnership with the Mary Rose Museum sees the shop move to the South Tower Transept, a custom-created welcome desk installed, and a brand-new heritage exhibition opened ready for the City's Centenary in 2026.

We launched new visitor leaflets in early 2025 and new interpretation around the Cathedral in addition to the new exhibition space. A new activity book, created in partnership with Designed by Esther, has also been launched - improving our offer for family visitors. On Tripadvisor, we received four 5* reviews, increasing our rating to 4.4 from 236 reviews, and we are rated 17th on their list of 'Things to do in Portsmouth'. We are performing better on Google with 765 reviews and a score of 4.7.

Looking forward to 2026

We are moving to a new website platform in the spring of 2026 which will enable us to more easily update content so that we can improve our engagement online and learn from our successes in 2025. Our new guidebook has taken longer than we hoped but will be ready after Easter.

We will be continuing to work with Portsmouth City Council to offer support to rough sleepers in the city offering them warmth and a safe space to sleep whilst they are supported by the council and the Society of St James.

Finance and Sustainability

The Cathedral's total income for 2025 was £1,343,589 (2024: £1,673,612) and its total expenditure was £1,605,468 (2024: £1,424,929). Investment losses were £40,891 (2024: gain of £24,450), resulting in an overall net deficit of £302,770 (2024: surplus of £273,133).

The Cathedral has yet to achieve financial sustainability, namely to ensure that expenditure does not exceed income.

Legacy income of £496,744 recognised in the 2024 accounts disguised an underlaying deficit of £223,611. The Cathedral is honoured to be remembered by members of its community but cannot rely on legacy income to place it on a sustainable financial footing. The reduction in legacy income reported in 2025 accounts for the return to a deficit position.

Alongside controlling costs and retendering for supplier contracts as they fall due for renewal, the Cathedral's financial focus is and continues to be developing income from a variety of sources.

Throughout 2025, our Head of Marketing and Events continued to implement the Cathedral's revised events strategy, resulting in a 95% increase in events and commercial income, with a further increase budgeted for 2026. The strategy focuses on those partnership and commercial hire relationships which have proved most successful over the last three years. These include events such as the Silent Discos, Gin and Rum Festivals and other large scale music concerts, all of which bring in significantly more income than internal events, with reduced staff resourcing. We will continue to develop this strategy as we explore more new types of events and better understand what does and doesn't work in our special venue.

Fundraising was also a focus this year. Building on the success of last year's Big Give Challenge, our 2025 campaign raised over £20,000 across a single week, and seasonal giving was encouraged at an expanded range of Christmas services. To ensure good practice and build the trust of supporters, the Cathedral is registered with the Fundraising Regulator and has developed its own Ethical Fundraising Policy.

Increased support costs (note 10) reflected the Cathedral's planned investment in IT infrastructure. Expenditure was under the approved budget and was driven primarily by the necessary upgrade of equipment to ensure full compliance with Windows 11 ahead of the withdrawal of support for Windows 10. The budget also incorporated costs associated with implementing a new telephony solution designed to facilitate and enhance hybrid working.

In 2025, we received support for our work in particular areas as follows:

- **Worship and Music** from the Cathedral Music Trust and the Benefact Trust
- **Finance and Sustainability** from the Church Commissioners' Cathedral Sustainability Fund
- **Building and Heritage** from the National Lottery Heritage Fund and the Archbishop's Council Net Zero Carbon Programme
- **Growing and Learning** from the Friends of Portsmouth Cathedral

We are also grateful to the many other trusts and foundations and individual supporters who contributed so generously to the Cathedral's work in 2025.

Looking forward to 2026

During 2026 we will continue our drive to develop and increase income from all sources, to become a truly sustainable organisation where income exceeds expenditure. This must be the focus of our work across departments and income streams.

A key element of this drive will be the incorporation of a trading subsidiary to undertake the Cathedral's commercial trading activities. This will allow greater flexibility in operations, reduce the Cathedral's own exposure to commercial risk, and ensure that the Cathedral's own focus remains on its charitable objectives.

During 2026 the Cathedral also aims to secure funding to support the fabric repair and maintenance recommendations made by the latest quinquennial inspection, in particular repairs needed to the belfry.

The Cathedral has taken part in the Church of England review of Cathedrals to understand why 73% are running at a deficit and what can be done to reverse this. Initial analysis suggests that target areas for improvement for us are:

- Increasing our events income to 20% of total income. In 2026 it should grow to 10%
- Improving the financial performance of the Cathedral Shop
- Increasing daytime visitor numbers by up to 10,000, which is 2% of the visitors to Portsmouth
- Growing fundraising income to exceed the total achieved in 2024 by £100,000

We will be looking how we can deliver these recommendations over the coming years.

A music endowment will be set up to coincide with the 30th anniversary of our Director of Music and this will be built on in our 100th anniversary year with an aim to reach £500,000 by the end of 2027.

Investment Policy

Chapter aims to keep a portfolio of investments that adopts a balanced approach to risk. The attainment of long-term objectives requires the acceptance of a level of investment risk, which manifests itself primarily in the fluctuation of the capital value.

Chapter holds its investments with CCLA. The funds, required to be invested in accordance with the Statement of Ethical Investment Policy issued by the Church of England Advisory Group, had a challenging year in terms of performance given fluctuation in stock markets with a net loss on investment for the year of £40,891 (2024: gain of £24,450). Income from these investments was £40,721 (2024: £40,666). Responsibility for the management of this policy rests with Chapter but it is advised by its Finance Committee on certain investment matters.

Reserves Policy

Reserves are needed both to maintain the level of the Cathedral's current activities and to enable the completion of long-term projects. Maintaining general and designated reserves protects the Cathedral against a sudden deterioration in its financial results caused by, for example, a significant drop in income or a major repair project. It also provides a resource in the event of long-term planning or restructuring.

At 31 December 2025, unrestricted (including designated) reserves held in net current assets plus liquid investments amounted to £1,359,309.

The Cathedral's Reserves Policy requires it to retain free reserves of at least six months' ordinary expenditure to protect Cathedral operations. Based on the expenditure reported for 2025, six months' expenditure amounts to £800,000. Reserves over and above this threshold are allocated by Chapter to the promotion and continuation of the five key elements of the Cathedral's Vision and Strategy, with a particular emphasis on Building and Heritage to support the ongoing maintenance work required to the fabric of the Cathedral building.

Risk Management
Chapter has identified the major risks to which it may be exposed and has set in place systems and procedures to mitigate them. There are sound internal controls in force to safeguard the Cathedral's assets. Suitable accounting policies and practices are established and appropriate, and required insurance is held. Budgets are set annually and measured monthly against actual outcomes.

The principal risks are articulated in our risk register. After various mitigating actions, no risks remain unacceptably high, but four risks remain a concern and these are:

- Insufficient funds being available to continue to run the Cathedral
- A safeguarding incident
- Congregational giving reducing
- Staff / key volunteer turnover jeopardising the effectiveness of the organisation

We continue to extend and review our risk register and involve Finance Committee in this process.

Our Public Benefit
Chapter has given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. The Cathedral not only serves the local community daily in its religious and charitable work and funding, including provision of space at reduced rates for many charitable organisations, but it is a resource in the promotion of religion, music, culture and heritage. Within this Annual Report, there is a description of activities that deliver these core public benefits.

Our People

Isabel Merrifield began as interim COO in January and continued in that role until June as we recruited for the permanent position. Isabel did an excellent job, drawing on her substantial experience from a number of other Cathedrals, and in late June we were delighted to welcome Zoë Colbeck as our new COO. Zoë came to us from senior roles with the Strawberry Hill Trust and the National Trust, and has made a really strong start, bringing an impressive range of experience and expertise to the multifaceted aspects of the COO's responsibilities.

In 2025 we were able to create two new staff posts, supported by grants from the Cathedrals Sustainability Fund:

- **Chief Finance Officer:** Beginning in September 2025, this new post is required by the Cathedrals Measure 2021. The focus of the new role is to lead the development of the Cathedral's financial strategy and objectives and to ensure legal and regulatory compliance. Nicky Clark joined us in September 2025 and has made a significant contribution to our processes and procedures and ensuring we are compliant and following best practice.

- **Development Officer**: Beginning in October 2025, this new post expands the capacity of the Cathedral's fundraising team. The initial focus of the role is on refreshing and continuing our congregational and regular giving campaigns. Jen Todd joined us in October and brings a wealth of experience from her previous career and a real passion for our work as she is a member of the congregation.

Maria Kidd fulfilled the role of Acting Head Verger and Precinct Manager excellently for a second time – and we welcomed back Malina Green in June after her maternity leave, and said goodbye to Bertie who had provided cover.

We said thank you and farewell to Catherine Edenborough, our curate, as she moved to Holy Trinity, Fareham in March; and also to Kitty Price and Chris Nicol our Readers, as they were ordained Deacon in June. One Residentiary Canonry remains vacant following Canon Anthony Rustell's move in December 2024.

We said goodbye to a number of staff, including Nicky Taylor Roberts, our Finance Officer, who had been with the Cathedral for eight years. In addition to making an invaluable contribution to the smooth running of the finances Nicky had also run the Cathedral Shop; led on updating standing operational procedures and, as a volunteer, organised the Cathedral Christmas Fair for a number of years. We also said goodbye to Rayne Skora, our Visitor Experience Manager. Over the past three years, in a role funded by the Cathedrals Sustainability Fund, she delivered many improvements in Visitor Experience and was critical in the delivery of the new exhibition interpretation space funded by a National Lottery Heritage Fund grant. Ian Griffiths, Assistant Verger and Precinct Officer, retired in December from his Assistant Verger and Precinct Officer role to focus on training for ordination, but we are pleased he will still be attending here and taking part in services. Finally, Chris Flatman, our Administrative Assistant, also retired at Christmas, having contributed significantly to Cathedral operations since joining the staff in 2024.

We trialled Visitor Experience Assistants in the Cathedral during school holidays, with Anna Irvine-Capel, Pamela Kalulu and Matthew Seenan. Despite the hard work and enthusiasm from these young people, the roles did not deliver the project outcomes and will not be continued in 2026.

The Cathedral has a team of 153 volunteers in a variety of roles, including Churchwardens, Sidespeople, Flower Guild, Holy Dusters, events, hospitality, shop, education, guides and welcomers, Anna Chaplains, Lay Pastoral Assistants, gardeners, singers and musicians, bell ringers, toddler group, servers, intercessors, readers, lunch club, office, researchers, and committees. We value the work of all our volunteers very highly and continue to be extremely grateful for all they do to support and enable the life of the Cathedral in its mission and ministry. Looking ahead, we will seek to enable the volunteers to have opportunities for further training including in equality and diversity and accessibility.

SMT and Chapter worked together to focus our efforts and agree key area of focus for the coming three years which can be found in the opening section. Staff and volunteer workshops were held during the year to create and agree Team Values. Our staff and volunteer Team Values are to respect and care for one another with integrity, inclusion and openness, all with a common ambition.

Safeguarding

In April the Cathedral and the Diocese of Portsmouth underwent their safeguarding audit as part of the national series by the INEQE Safeguarding Group. In the main the findings were positive and encouraging and the Cathedral received 16 recommendations for improvement and enhancement in practice.

The auditors commented: "the Dean's approach to safeguarding is well supported by his senior team, particularly by the highly motivated Canon Chancellor, who serves as the Chapter Safeguarding Lead (CSL). During the Audit, it was evident that they effectively collaborate, while covering what is essentially a combination of operational and strategic / governance roles. Moving forward, this dual responsibility is not sustainable. While the Memorandum of Understanding (MOU) with the DBF provides a point of contact from the Diocesan Safeguarding Team (DST), this is insufficient and in the opinion of the Audit there is value to be had in ensuring an operational safeguarding presence within the precincts of the Cathedral. The auditors recommend that "the Cathedral should appoint a Cathedral Safeguarding Advisor, situated within the Cathedral but professionally managed by the DSO."

Chapter have discussed this recommendation and the current strain on staffing and in 2026 costings will be put together to see if it will be possible to appoint a CSA for one day per week initially.

The auditors commented on the positive safeguarding culture around the choristers at the Cathedral, and in reference to the music department, commented: "staff appear knowledgeable and committed, with safeguarding embedded into day-to-day routines. The Cathedral draws choristers from a wide range of local schools, and the logistics of transport, supervision and coordination are well managed. Staffing levels are strong, with choir matrons providing continuity across rehearsals, services and trips. The use of gap year students from The Portsmouth Grammar School to assist in supervision appears effective and is underpinned by appropriate inductions and training."

In conclusion, the report states: "the detailed evidence in the full report demonstrates the extensive efforts by its senior leaders, and the dedicated staff and volunteers, who ensure that individuals can work, volunteer, and worship in an environment that is safer and committed to a continuous safeguarding improvement."

Structure, Governance and Management

The Cathedral is an ecclesiastical corporation and a registered charity. Its Constitution and Statutes were renewed on 11 December 2023 to comply with the Cathedrals Measure 2021.

The Cathedral's role in the Diocese

The Cathedral is the mother church of the Diocese of Portsmouth, which covers south-east Hampshire, Portsea Island and the Isle of Wight. It is the focal point for many diocese-wide services and events, from confirmation services to the ordinations of new ministers.

It is also the Parish Church of St Thomas of Canterbury, serving all who live in its geographical parish.

The Chapter of the Cathedral

Portsmouth Cathedral is governed by the Chapter, whose members are trustees within the meaning of the Charities Act 2011. Chapter is the ultimate decision-making body of the Cathedral and is responsible for all strategic matters.

The Chapter must have between 9 and 12 members. The Dean is chair of Chapter and has a casting vote. There are two further executive members of Chapter and these are the two Residentiary Canons of the Cathedral *ex officio*. The Bishop, after consulting the Chapter, must appoint one of the non-executive members who is not a residentiary canon. This individual is, by virtue of that appointment, the senior non-executive member of the Chapter. The members of the Chapter appoint the other non-executive members who are not residentiary canons with the prior approval of the Bishop. There must be more non-executive than executive members and there must be more lay than clergy members amongst the non-executive members. One non-executive member of Chapter must have recent and relevant financial experience and becomes the Chair of the Finance Committee.

Two of the non-executive members may be elected at the Annual Parochial Church Meeting from

(a) the persons who are included on the church electoral roll of the Parish, and
(b) the persons who are included on the non-worshipping community roll

The Vicar of the Parish is *ex officio* the Dean, whilst the Residentiary Canons are appointed by the Bishop with the approval of the Dean.

New members of Chapter receive briefing from the Chief Operating Officer and are also encouraged to attend external training provided by the Association of English Cathedrals (AEC). There is specific training provided by the Church Commissioners and the AEC for Deans.

The Cathedrals Measure 2021 requires that it shall be the duty of Chapter to direct and oversee the administration of the affairs of the Cathedral and in performing that duty the Chapter must in particular:

- order the worship of the Cathedral and promote its mission;
- formulate, after consultation with the Bishop, proposals relating to the general direction and mission of the Cathedral;
- prepare an annual budget for the Chapter;
- prepare an annual report for the Chapter and annual accounts for audit and subsequent approval;
- keep under review the constitution and statutes;
- manage the property vested in the Chapter and the income accruing from it and, in particular, ensure that necessary repairs and maintenance in respect of the Cathedral and its contents and other buildings and monuments are carried out.

Investment Powers

Under the Cathedrals Measure 2021, Chapter may invest the Cathedral's funds in any of the following:

- Land;
- Funds administered by the Central Board of Finance of the Church of England by CCLA Investment Management Limited;
- Investments in which trustees may invest under the general power of investment in the Trustee Act 2000

- The improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve or develop the Cathedral itself or its ancillary buildings.

Statutory Committees
As required by the Cathedrals Measure 2021, Chapter is supported by the following committees:

- **Finance Committee**
  Advises Chapter in connection with its responsibilities in the field of financial, investment and risk management along with audit oversight.

- **Fabric Advisory Committee**
  Under the Care of Cathedrals Measure 2011, the Fabric Advisory Committee (FAC) is responsible to the Cathedrals Fabric Commission for England and considers applications from Chapter in regard to proposed development of and changes to the Cathedral's fabric.

- **Nominations Committee**
  Advises Chapter on recruitment and appointment or election to Chapter and its committees. The Committee is tasked with providing a rolling renewal of Chapter and committee members on a three-year cycle.

College of Canons
The College of Canons is independent of Chapter and does not form part of the body corporate of the Cathedral. It has the functions conferred by the Appointment of Bishops Act 1533 on the body referred to in that Act as the Dean and Chapter of the Cathedral. The College of Canons expresses through its members the integral relationship between the Cathedral and the rest of the diocese of Portsmouth, provides a forum in which Chapter, as appropriate, seeks its views in matters affecting the Cathedral, and keeps such members informed of the work of the Cathedral. It performs any functions requested by the Bishop after consultation with Chapter.

Organisational Management
As required by its statutes, Chapter delegates the day-to-day management, operation and administration of the Cathedral to its Senior Management Team (SMT) comprising the Dean, Canons Chancellor and Precentor, the Chief Operating Officer and the Chief Finance Officer. Chapter has approved terms of reference for SMT, which meets at least bi-weekly except over the summer months and Christmas/New Year period.

Stipends of the Dean and residentiary canons are paid directly by the Church Commissioners. The policy on the remuneration of all other paid staff is determined by Chapter.

Portsmouth Cathedral Development Trust
Portsmouth Cathedral Development Trust (PCDT) is an independent charity (registration number 295024), with its own body of trustees chaired by Nigel Atkinson Esq, HM Lord-Lieutenant of Hampshire. PCDT undertakes fundraising for major developments at Portsmouth Cathedral. The Trust was originally formed in the 1980s and exists principally to receive funds from appeals made on the Cathedral's behalf and to make grants to the Cathedral in accordance with the terms of the trust deed and the relevant appeal. The Trust presently holds funds arising from such appeals and releases them to the Cathedral under the terms of the trust deed.

Reference and Administrative Details

Legal Title
The Cathedral Church of St Thomas of Canterbury Portsmouth

Office Address
Cathedral House
63-68 St Thomas's Street
Old Portsmouth
Hampshire
PO1 2HA

Members of the Chapter

The Very Reverend Dr Anthony Cane	*Dean of Portsmouth*
The Reverend Canon Harriet Neale-Stevens	*Canon Chancellor and Vice Dean*
The Reverend Canon Dr Joanna Spreadbury	*Canon Precentor*
The Reverend Canon Nicholas Ralph	*Residentiary Canon*
Mark Emerton	*Senior Non-Executive Member*
David King	*Chair of Finance (from 22 September 2024)*
Canon Ronald Rabbetts	
Alexandre Lochrane	*(until 22 May 2025)*
Marcelle de Sousa	*(from 23 April 2025)*
Professor Bryn Hughes	*(from 6 June 2025)*

Members of the Finance Committee

David King	Chair of Finance
Paul Mitchell	*(until 17 November 2026)*
Georgianna Rustell	
Darrell Cox	
Philip Sturdy	

Members of the Fabric Advisory Committee

Ryan Stock	Chair *(from 12 February 2025)*
David English	
Chris Wood	
Mel Howse	
Mark Bowen	
Tareq Teba	
The Revd Nicholas Henshall	

Members of the Nominations Committee

Canon Sir David Normington	*Chair*
The Very Reverend Dr Anthony Cane	*Dean of Portsmouth*
Paul Quinn	
Margaret Scott	
Alex Lochrane	*Chapter (non-exec until May, reappointed as member November 2025)*
Marcelle de Sousa	*Chapter (non-exec) (from November 2025)*

College of Canons

The Venerable Kathryn Percival	
The Venerable Bob White	*(as Honorary Canon to Sept 2025, then as Archdeacon)*
The Venerable Stephen Daughtery	*(to April 2025)*
The Revd Canon Will Hughes	
The Revd Canon Karina Green	
The Revd Canon Peter Hall	
The Revd Canon Tom Kennar	
The Revd Canon Julie Price	
The Revd Canon Andrew Sheard	
The Revd Canon Richard England	
The Revd Canon Susie Collingridge	
The Revd Canon Emma Racklyeft	
The Venerable Peter Sutton	*(to April 2025)*
The Revd Canon Annie McCabe	*(to July 2025)*
The Venerable Andrew Hillier KHC RN	*(to September 2025)*
The Revd Canon Ian Meredith	*(from September 2025)*
Canon Graham Salter	
Canon Sir David Normington	
Canon Sarah McCarthy-Fry	
Canon Adrian Jordan	
Canon Robert Solomon	
Canon Bradley Albuery	
Canon Ronald Rabbetts	
Canon Sheila Picton	
Canon Margaret Chappell	
Canon Philip Poulter	*(from March 2025)*
Canon Debbie Sutton	*(from September 2025)*
Canon Liz Simpson	*(from September 2025)*
Canon Neil Pugmire	*(to March 2025)*
Canon John Gwynn	*(to November 2025)*

Chief Operating Officer

Richard Abraham	*(until 21 Jan 2025)*
Isabel Merrifield	*Interim (until 29 June 25)*
Zoë Colbeck	*(from 30 June 2025)*

Chief Finance Officer

Nicky Clark	*(from September 2025)*

Cathedral Organist and Master of the Choristers

Dr David Price

Cathedral Architect
Mr Simon Ablett
Ablett Architects
Kingfisher House
21-23 Elmfield Road
Bromley
Kent, BR1 1LT

Cathedral Archaeologist
Mr Alfred Hawkins
Curatorial Office
2nd Floor Waterloo Block
HM Tower of London
London, EC3N 4AB

Auditor
Lewis Brownlee (Chichester) Limited
Chartered Accountants and Registered Auditors
Appledram Barns
Birdham Road
Chichester, PO20 7EQ

Bankers
Lloyds Bank
Commercial Road
Portsmouth, PO1 1BY

Investment Managers
CCLA
One Angel Lane
London, EC4R 3AB

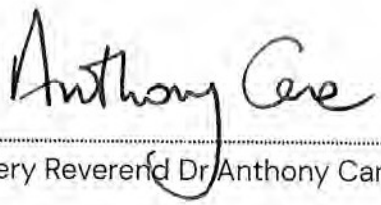
Statement of trustees' responsibilities
Chapter is responsible, under requirements laid down by the Church Commissioners under the powers given to them under Section 30 of the Cathedrals Measure 2021 for:

- preparing and publishing an annual report and audited accounts which give a true and fair view of the financial activities for each financial year and of the assets, liabilities, and funds at the end of each financial year of the Cathedral and its connected entities;
- stating that they have complied, in all material respects, with these regulations or describing which regulations have not been complied with and giving reasons for the non-compliance;
- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;

- keeping proper accounting records, from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time; and

- safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by Chapter on 22 April 2026 and signed as authorised on its behalf by:



The Very Reverend Dr Anthony Cane – Dean of Portsmouth

REPORT OF THE INDEPENDENT AUDITORS TO THE CHAPTER FOR THE YEAR ENDED 31 DECEMBER 2025

We have audited the financial statements of the Chapter of Portsmouth Cathedral ("the Chapter") for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Cathedral Chapter, as a body, in accordance with the regulations made under Section 27 of the Cathedrals Measure 2021, and in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Chapter those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements;

- give a true and fair view of the state of the Chapter's affairs as at 31 December 2025, of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Accounting and Reporting Regulations for English Anglican Cathedrals, as specified by the Church Commissioners under section 27 of the Cathedral Measures 2021, and the Statement of Recommended Practice, as specified by the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the members of Chapter for the financial statements

The members of the Chapter are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of Chapter are responsible for assessing the Cathedral's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they intend to liquidate the Cathedral or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISA's (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is listed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Auditing the risk of management override of controls including through testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business.

A description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsbilities. This description forms part of our auditor's report.

Conclusion relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The members of Chapter are responsible for the other information. The other information comprises the information included in the Annual Report of the Chapter. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistences or apparent material misstatements, we are required to determine

whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matter on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which we report to you if, in our opinion:

- sufficient accounting records have not been kept by the Cathedral; or
- the Cathedral's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Lewis Brownlee (Chichester) Ltd

LEWIS BROWNLEE (CHICHESTER) LIMITED
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
APPLEDRAM BARNS
BIRDHAM ROAD
CHICHESTER
WEST SUSSEX
PO20 7EQ

Dated: 1 May 2026

Statement of Financial Activities

Income and endowments from:	Note	General Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £	Total 2025 £	*Total 2024 £*
Donations and legacies	2	248,937	–	53,224	–	302,161	*705,062*
Grants receivable in support of mission	3	15,803	–	637,426	–	653,229	*647,151*
Charitable activity income	4	53,993	–	–	–	53,993	*57,190*
Trading and fundraising	5	228,182	–	–	–	228,182	*192,896*
Investments	6	104,232	–	1,495	–	105,727	*71,003*
Other income		297	–	–	–	297	*310*
Total Income		651,444	–	692,145	–	1,343,589	*1,673,612*
Expenditure on:							
Raising funds	7	257,807	–	143,834	–	401,641	*374,652*
Ministry	8	375,672	–	317,792	–	693,464	*669,760*
Cathedral and precincts upkeep	9	256,243	–	150,889	–	407,131	*276,228*
Education and outreach	10	79,902	–	23,330	–	103,232	*104,289*
Total Expenditure		969,624	–	635,845	–	1,605,468	*1,424,929*
Net income before investment losses		(318,180)	–	56,301	–	(261,879)	*248,683*
Gain/(loss) on investments		–	(38,740)	–	(2,151)	(40,891)	*24,450*
Net income/(expenditure)		(318,180)	(38,740)	56,301	(2,151)	(302,770)	*273,133*
Transfer between funds		367,074	(367,074)	–	–	–	–
Net movement in funds		48,895	(405,814)	56,301	(2,151)	(302,770)	*273,133*
Funds brought forward		44,635	6,224,604	86,299	53,790	6,409,328	*6,136,195*
Funds carried forward		93,530	5,818,790	142,600	51,639	6,106,558	*6,409,328*

The notes form part of these financial statements.

Balance Sheet

	Note	General Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £	Total 2025 £	*Total 2024 £*
FIXED ASSETS							
Investment assets							
Investment property	15	-	1,510,000	-	-	1,510,000	*735,000*
Other investments	15	-	1,185,042	-	51,639	1,236,681	*1,277,573*
Tangible Fixed Assets							
Property	16	-	3,030,000	-	-	3,030,000	*3,805,000*
Fixtures, fittings and equipment	17	-	5,711	51,357	-	57,068	*8,012*
TOTAL FIXED ASSETS		-	5,730,753	51,357	51,639	5,833,749	*5,825,585*
CURRENT ASSETS							
Stock		21,146	-	-	-	21,146	*29,948*
Debtors	18	42,968	71,370	79,222	-	193,560	*485,078*
Cash at bank and in hand		138,102	16,667	47,481	-	202,249	*168,577*
TOTAL CURRENT ASSETS		202,216	88,037	126,703	-	416,955	*683,603*
LIABILITIES DUE WITHIN ONE YEAR							
Creditors: amounts falling due within one year	19	(108,686)	-	(35,460)	-	(144,146)	*(99,860)*
NET CURRENT ASSETS		93,530	88,037	91,243	-	272,809	*583,743*
TOTAL NET ASSETS		93,530	5,818,790	142,600	51,639	6,106,558	*6,409,328*
FUNDS							
Endowment fund	20	-	-	-	51,639	51,639	*53,790*
Restricted funds	20	-	-	142,600	-	142,600	*86,299*
Designated funds	20	-	5,818,790	-	-	5,818,790	*6,224,604*
General fund	20	93,530	-	-	-	93,530	*44,635*
		93,530	5,818,790	142,600	51,639	6,106,558	*6,409,328*

The notes form part of these financial statements.

Approved by Chapter and authorised for issue on 22 April 2026

Anthony Cane - Dean

David King - Chair of the Finance Committee

Cash Flow Statement

	Note	Total 2025 £	Total 2024 £
Cash flows from operating activities			
Net cash (used in) operating activities	25	(18,764)	(16,342)
Cash flows from investing activities			
Investment income received		105,727	71,003
Purchase of tangible fixed assets		(53,291)	-
Purchase of investments		-	-
Proceeds from sale of investments		-	50,000
Net cash provided by investing activities		52,436	121,003
Change in cash and cash equivalents in year		33,672	104,661
Cash and cash equivalents at the beginning of the year		168,577	63,916
Cash and cash equivalents at the end of the year		202,249	168,577

The notes form part of these financial statements.

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of preparation
The accounts have been prepared in accordance with The Accounting and Reporting Regulations for English Anglican Cathedrals dated December 2018 as specified by the Church Commissioners under Section 30 of the Cathedrals Measure 2021; and The Charities SORP (FRS 102) second edition, effective January 2019, and the Charities Act 2011.

The Cathedral is a registered charity, and a public benefit entity as defined in FRS102. The accounts are presented in pounds sterling, which is the functional currency of the Cathedral, and rounded to the nearest pound.

Going concern
Chapter has reviewed the funding available to the Cathedral, particularly the level of reserves available in relatively liquid form, together with the expected cashflows for the foreseeable future, being a period of at least 12 months from the Balance Sheet date. Chapter considers that there are no material uncertainties over the Cathedral's financial viability and that, accordingly, it is appropriate to prepare the accounts on a going concern basis.

Income and endowments
All incoming resources are included in the Statement of Financial Activities (SoFA) when the Cathedral is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations and grants to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the income and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity, and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes as outlined in the notes to the accounts. It is included when the amount can be measured reliably. Interest and dividend income is recognised as the Cathedral's right to receive payment is established.

Income from the letting of investment property is recognised on an accruals basis, in accordance with the terms of the rental agreement.

Income from the sale of goods in the Cathedral shop is recognised at the point of sale when ownership of the goods transfers to the customer.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be

ACCOUNTING POLICIES (continued)

required and the amount can be reliably measured. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs of commercial trading and their associated support costs
- Costs of ministry comprise costs of clergy housing, services, music and their associated support costs
- Costs of Cathedral and precincts upkeep comprise maintenance, insurance, utilities and their associated support costs
- Costs of education and outreach comprise educational activities, charitable giving and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs and governance costs:
Support costs are those that assist the work of the Cathedral and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the activities of the Cathedral. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a consistent basis as set out below:

- Salaries, recruitment, and training costs – apportioned based on time analysis by employees and use of resources
- Administration – apportioned based on approximate use of resources
- Information technology – apportioned based on approximate use of resources
- Governance costs – apportioned based on approximate use of resources

Fixed assets
In accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals, no value is attributed in the Balance Sheet for the Cathedral as it is an inalienable and historic building for which no reliable cost information or conventional valuation basis is available.

The Regulations also require that no value is attributed on the Balance Sheet to heritage assets included in the Cathedral's statutory inventory acquired before 31 December 2018 and maintained in accordance with the Care of Cathedrals Measure 2011, because information on their historical cost is not available. The statutory inventory comprises items of architectural, archaeological, artistic or historical interest.

Investments property is held at market value.

Under the revaluation model, properties held for Cathedral use are carried at market value less any subsequent accumulated depreciation. Revaluations are undertaken with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined

ACCOUNTING POLICIES (continued)

using market value at the end of the reporting year. Market values are determined from market evidence usually undertaken by professional qualified valuers.

Changes in market value are recognised in "gains/losses on property revaluation" in the SoFA and accumulated in the Fixed Assets Reserve.

Enhancing works to property, office equipment, fixtures and fittings and other equipment above a threshold of £5,000 are capitalised at cost. Depreciation is calculated to write off the cost or valuation less estimated residual value by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

Property enhancements	5%
Fixtures and fittings	20%
Other equipment	33⅓%

Investments

Investments are recognised initially at market value, which is normally the transaction price excluding transaction costs. Subsequently, they are measured at market value with changes recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid, net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of three months or less from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when the Cathedral has a present obligation resulting from a past event that is expected to result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount, after allowing for any trade discounts due.

Stocks

Retail stocks in the Cathedral shop are stated at the lower of cost and net realisable value.

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

ACCOUNTING POLICIES (continued)

Financial Instruments
The Cathedral only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The Cathedral has no advanced financial instruments.

Pension Schemes
The pension costs recognised in the Statement of Financial Activities represent the amounts payable to defined contribution pension schemes.

Funds
Unrestricted funds – general:
Unrestricted funds are spent or applied at the discretion of Chapter in furtherance of the ministry of the Cathedral. Where necessary, unrestricted funds can be used to supplement expenditure made from restricted funds.

Unrestricted funds – designated:
Designated funds represent funds earmarked by Chapter for a specific purpose. They may be un-designated at Chapter's discretion.

Restricted funds:
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Cathedral for particular purposes.

Endowment funds:
Permanent endowment funds are funds where the donor has specified that the donation must be retained as capital or where the Cathedral has solicited endowment funds as part of a fundraising appeal. Income arising from the capital may be expended subject to any donor restrictions or restrictions arising from the fundraising appeal. Expendable endowment funds are funds where the donor has specified that the donation is capital in nature but has granted Chapter discretion to expend that capital. The income arising from the capital may be expended subject to any donor restrictions.

Estimation uncertainty and judgements
The preparation of the financial statements requires Chapter to make judgements, estimates and assumptions about the carrying amount of assets and liabilities. The nature of estimation means that the actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

- Valuation of investment property and valuation of properties held for Cathedral use

Chapter uses the valuation performed by its independent valuer as the basis for market value of these properties.

2 DONATIONS AND LEGACIES 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Congregational collections and giving	109,596	-	-	109,596
Donations from Friends and local trusts	-	1,000	-	1,000
Other donations	53,467	46,430	-	99,897
Tax recoverable under Gift Aid	25,800	5,794	-	31,594
Legacies	60,074	-	-	60,074
Total	248,937	53,224	-	302,161

DONATIONS AND LEGACIES 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Fund £*	*2024 Total Funds £*
Congregational collections and giving	*110,014*	-	-	*110,014*
Donations from Friends and local trusts	*500*	*1,000*	-	*1,500*
Other donations	*63,390*	*3,004*	-	*66,394*
Tax recoverable under Gift Aid	*30,210*	*200*	-	*30,410*
Legacies	*496,744*	-	-	*496,744*
Total	*700,858*	*4,204*	-	*705,062*

3 GRANTS RECEIVABLE IN THE COURSE OF MISSION 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Church Commissioners grants	-	560,569	-	560,569
Heritage Lottery Fund grants	-	47,104	-	47,104
Benefact Trust grants	15,803	-	-	15,803
Local Authority grant	-	13,285	-	13,285
Other revenue and capital grants	-	16,468	-	16,468
Total	15,803	637,426	-	653,229

GRANTS RECEIVABLE IN THE COURSE OF MISSION 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Fund £*	*2024 Total Funds £*
Church Commissioners grants	-	*528,764*	-	*528,764*
Heritage Lottery Fund grants	-	-	-	-
Benefact Trust grants	*18,813*	-	-	*18,813*
Local Authority grant	-	-	-	-
Other revenue and capital grants	*27,639*	*71,935*	-	*99,574*
Total	*46,452*	*600,699*	-	*647,151*

4 CHARITABLE ACTIVITY INCOME

	2025 Total Funds £	*2024 Total Funds £*
Fees and charges arising in the course of Mission	53,993	57,190

All funds are unrestricted in both the current and preceding year.

5 TRADING AND FUNDRAISING 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Income from fundraising events and appeals	79,183	–	–	79,183
Gross income from shop and other trading activities	41,982	–	–	41,982
Income from lettings of cathedral and other buildings	107,017	–	–	107,017
Total	228,182	–	–	228,182

TRADING AND FUNDRAISING 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Fund £*	*2024 Total Funds £*
Income from fundraising events and appeals	*43,606*	–	–	*43,606*
Gross income from shop and other trading activities	*49,591*	–	–	*49,591*
Income from lettings of cathedral and other buildings	*99,699*	–	–	*99,699*
Total	*192,896*	–	–	*192,896*

6 INVESTMENT INCOME 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Income from investments	39,226	1,495	–	40,721
Income from investment properties	65,006	–	–	65,006
	104,232	1,495	–	105,727

INVESTMENT INCOME 2024

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2024 Total Funds £
Income from investments	39,184	1,476	–	40,660
Income from investment properties	30,343	–	–	30,343
	69,527	1,476	–	71,003

7 RAISING FUNDS 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Gross costs of shop and other trading activities	30,434	-	-	30,434
Costs of fundraising events and appeals	148,919	132,396	-	281,315
Costs of residential property lettings	25,745	-	-	25,745
Investment management costs	11,671	-	-	11,671
Support costs	41,038	11,438	-	52,476
Total	257,807	143,834	-	401,641

RAISING FUNDS 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Fund £*	*2024 Total Funds £*
Gross costs of shop and other trading activities	*30,190*	-	-	*30,190*
Costs of fundraising events and appeals	*56,731*	*217,178*	-	*273,909*
Costs of residential property lettings	*13,063*	-	-	*13,063*
Investment management costs	*5,900*	-	-	*5,900*
Support costs	*23,661*	*27,929*	-	*51,590*
Total	*129,545*	*245,107*	-	*374,652*

8 MINISTRY 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Clergy stipends and working expenses	-	145,084	-	145,084
Clergy housing costs	43,620	-	-	43,620
Clergy support costs	54,242	-	-	54,242
Services and music	195,979	149,900	-	345,879
Support costs	81,831	22,808	-	104,639
Total	375,672	317,792	-	693,464

MINISTRY 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Fund £*	*2024 Total Funds £*
Clergy stipends and working expenses	-	*141,900*	-	*141,900*
Clergy housing costs	*53,156*	-	-	*53,156*
Clergy support costs	*44,888*	*105*	-	*44,993*
Services and music	*305,338*	*21,502*	-	*326,840*
Support costs	*47,180*	*55,691*	-	*102,871*
Total	*450,562*	*219,198*	-	*669,760*

9 CATHEDRAL AND PRECINCTS UPKEEP 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2025 Total Funds £
Major repairs and restoration	46,569	–	–	46,569
Maintenance and interior upkeep	73,928	49,080	–	123,007
Cathedral insurance	45,737	–	–	45,737
Master planning	–	69,483	–	69,483
Other costs	21,693	13,285	–	34,978
Support costs	68,316	19,041	–	87,357
Total	256,243	150,889	–	407,131

CATHEDRAL AND PRECINCTS UPKEEP 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Fund £*	*2024 Total Funds £*
Major repairs and restoration	–	–	–	–
Maintenance and interior upkeep	*77,039*	–	–	*77,039*
Cathedral Insurance	*38,369*	–	–	*38,369*
Master planning	–	2,315	–	*2,315*
Other costs	*72,625*	–	–	*72,625*
Support costs	*39,387*	*46,493*	–	*85,880*
Total	*227,420*	*48,808*	–	*276,228*

10 EDUCATION AND OUTREACH 2025

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2025 Total Funds £
Educational activities	18,137	5,685	–	23,822
Charitable and other giving	4,923	–	–	4,923
Other costs	2,288	2,440	–	4,728
Support costs	54,554	15,205	–	69,759
Total	79,902	23,330	–	103,232

EDUCATION AND OUTREACH 2024

	Unrestricted Funds £	*Restricted Funds £*	*Endowment Funds £*	*2024 Total Funds £*
Educational activities	*3,014*	*20,537*	–	*23,551*
Charitable and other giving	*6,557*	*3,574*	–	*10,131*
Other costs	*2,026*	–	–	*2,026*
Support costs	*31,454*	*37,127*	–	*68,581*
Total	*43,051*	*61,238*	–	*104,289*

11 SUPPORT COSTS

	Raising Funds	Ministry	Cathedral & Precinct	Education & Outreach	2025 Total Funds
	£	£	£	£	£
Salaries, recruitment, and training costs	30,540	60,898	50,840	40,598	182,876
Administration	11,069	22,072	18,427	14,715	66,283
IT	8,391	16,731	13,968	11,154	50,244
Governance costs	2,476	4,938	4,122	3,292	14,828
	52,476	104,639	87,357	69,759	314,231

Included within governance costs above is auditor's remuneration for 2025 of £8,850 plus VAT.

	Raising Funds	Ministry	Cathedral & Precinct	Education & Outreach	2024 Total Funds
	£	£	£	£	£
Salaries, recruitment, and training costs	31,734	63,278	52,827	42,185	190,024
Administration	11,355	22,642	18,902	15,095	67,994
IT	6,828	13,614	11,366	9,076	40,884
Governance costs	1,673	3,337	2,786	2,224	10,020
	51,590	102,871	85,881	68,580	308,922

Included within governance costs above is auditor's remuneration for 2024 of £8,350 plus VAT.

12 STAFF COSTS

Salary costs (excluding stipends) were as	2025	2024
	£	£
Gross wages	585,868	583,109
Social security costs	49,865	49,050
Pension costs	37,332	34,421
	673,065	666,580

The stipends of the Dean and two of the Residentiary Canons were paid directly by the Church Commissioners and are not included in the salary costs stated above. The remuneration of, and pension provision for, clerical members of Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board.

Stipends paid by the Church Commissioners, including employer pension contributions, employer National Insurance and the Apprenticeship Levy, were are follows:

	2025	2024
	£	£
The Very Reverend Anthony Cane	56,297	54,223
The Reverend Canon Harriet Neale-Stevens	44,656	45,131
The Reverend Canon Joanna Spreadbury	44,131	42,546
	145,084	141,900

There was an average of 12 (2024: 10) full-time and 13 (2024: 15) part-time paid staff including the clergy paid by the Church Commissioners but excluding the Cathedral Choir. The full time equivalent of the same group in 2025 was 19 (2024: 21).

Included in salary costs are redundancy or termination payments totalling £1,910 (2024: £31,624).

No members of staff were paid emoluments of more than £60,000 (2024: 1).

13 KEY MANAGEMENT PERSONNEL REMUNERATION

The aggregate remuneration of Key Management Personnel in 2025, including employer National Insurance and employer pension contributions, and including the clergy stipends paid by the Church Commissioners, was £197,429 (2024: £249,362). Key Management Personnel are defined as the remunerated members of Chapter, the Chapter Clerk/COO and the CFO.

14 RELATED PARTY TRANSACTIONS

During the year the Dean and two Residentiary Canons, who are all members of Chapter, were reimbursed for a total of £3,786 (2024: £3,337) for travel, subsistence and hospitality expenses incurred in the course of their ministry. Two other Chapter members were reimbursed for travel expenses totalling £143 (2024: £0) incurred on Chapter business.

Donations of £9,644 (2024: £12,977) were received from Chapter members during the year.

Portsmouth Cathedral Development Trust (PCDT) is a charity (registered number 295024) established to assist in the development, restoration and repair of the Cathedral. Its annual accounts are subject to an Independent Examination. The Dean is a trustee of PCDT but there are no other trustees in common. Although PCDT exists wholly for the benefit of the Cathedral, it is not controlled by Chapter. During the year the Cathedral received no income (2024: none) from PCDT.

The Friends of Portsmouth Cathedral (FoPC) is an association managed by its council, which includes certain members of Chapter. FoPC exists to further links between the parishes of the Portsmouth Diocese and the Cathedral, but it is not controlled by Chapter. Its annual accounts are subject to an Independent Examination. During the year the Cathedral received £1,000 (2024: £1,000) in donations towards education and outreach activities from FoPC, invoiced FoPC a total of £275 (2024: £556) for printing and other expenses and paid FoPC a total of £512 (2024: £0) in respect of fundraising income received on its behalf.

The Portsmouth Cathedral Choir Association (PCCA) is an association managed by its committee, which includes certain members of Chapter. PCCA exists to support the work of the Cathedral choir, but it is not controlled by Chapter. During the year the Cathedral received £0 (2024: £500) in donations from PCCA and paid PCCA a total of £0 (2024: £3,056) in respect of fundraising income received on its behalf.

15 INVESTMENTS

	2025 Total Funds	*2024 Total Funds*
Investment Property	£	£
Market value brought forward	735,000	735,000
Reclassification	775,000	-
Revaluation	-	-
	1,510,000	735,000

The investment property was revalued by Chapter in 2023. The revaluation was carried out by Eddisons Chartered Surveyors in November 2023. Desktop valuations have confirmed the valuation is still reasonable.

Two properties, valued at a joint total of £775,000, have been transferred from Tangible Fixed Assets: Property to Investment Property to reflect the fact that the properties are currently let to tenants and not applied for Cathedral use.

	2025 Total Funds	*2024 Total Funds*
Other investments	£	£
Market value brought forward	1,277,572	1,303,123
Disposals at proceeds	-	(50,000)
Gain/(loss) on revaluation	(40,891)	24,450
	1,236,681	1,277,573
Total investments	2,746,681	2,012,573

Split of investments between funds:

	2025	*2024*
	£	£
Endowment - Friends of Cathedral Music	51,639	53,790
Designated – Groves legacy including investment property, 84 Penny Street	1,575,042	1,613,783
Designated – Other investment properties	1,120,000	345,000
	2,746,681	*2,012,573*

Investment property is directly owned. Other investments are held in pooled managed funds as follows:

	2025	*2024*
	£	£
CBF CoE Investment Fund Income Shares	1,067,519	*1,111,974*
CBF CoE Property Fund Income Shares	169,162	*165,599*
	1,236,681	*1,277,573*

16 TANGIBLE FIXED ASSETS: PROPERTY

	Unrestricted Funds £	Total Funds £
Cost or deemed cost		
At 1 January 2025	3,805,000	3,805,000
Reclassification	(775,000)	(775,000)
Revaluation	-	-
At 31 December 2025	3,030,000	3,030,000
Depreciation		
Accumulated at 1 January 2025	-	-
Charge for the year	-	-
Disposals	-	-
At 31 December 2025	-	-
Net Book Value		
At 31 December 2025	3,030,000	3,030,000
At 31 December 2024	3,805,000	3,805,000

Two properties, valued at a joint total of £775,000, have been transferred from Tangible Fixed Assets: Property to Investment Property to reflect the fact that they are currently let to tenants not applied for Cathedral use.

The remaining properties above are all freehold and applied for Cathedral use. All properties (excluding the Cathedral itself) were revalued by an independent valuer, Eddison's Chartered Surveyors, in November 2023 at a total value of £3,030,000. The basis of the valuation was open market value having regard to any special assumptions or circumstances.

17 TANGIBLE FIXED ASSETS: FIXTURES, FITTINGS AND EQUIPMENT

	Fixtures & Fittings £	Other Equipment £	Total £
Cost			
At 1 January 2025	13,917	4,848	18,765
Additions	46,211	7,080	53,291
Disposals	-	(1,272)	(1,272)
At 31 December 2025	60,128	10,656	70,784
Depreciation			
Accumulated at 1 January 2025	6,941	3,812	10,753
Charge for the year	2,806	1,429	4,235
On disposals	-	(1,272)	(1,272)
At 31 December 2025	9,747	3,969	13,716
Net Book Value			
At 31 December 2025	50,381	6,687	57,068
At 31 December 2024	6,976	1,036	8,012

18 DEBTORS

2025	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Invoiced debtors	21,742	–	33,989	–	55,731
Prepayments	6,408	–	–	–	6,408
Accrued income	14,651	71,370	45,233	–	131,254
Other debtors	167	–	–	–	167
	42,968	71,370	79,222	–	193,560

2024	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Invoiced debtors	5,507	–	28,560	–	34,067
Prepayments	1,390	–	–	–	1,390
Accrued income	449,621	–	–	–	449,621
Other debtors	–	–	–	–	–
	456,518	–	28,560	–	485,078

19 CREDITORS: amounts falling due

2025	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Trade creditors	11,883	–	12,600	–	24,483
Accruals and deferred income	75,616	–	22,860		98,476
Social security and other taxes	21,187	–	–	–	21,187
Other creditors	–	–	–	–	–
	108,686	–	35,460	–	144,146

2024	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Trade creditors	11,371	–	–	–	11,371
Accruals and deferred income	18,412	–	–	–	18,412
Social security and other taxes	65,877	–	–	–	65,877
Other creditors	4,200	–	–	–	4,200
	99,860	–	–	–	99,860

20 ANALYSIS OF MOVEMENTS IN FUNDS

2025

	Total funds brought forward £	Total income and endowments £	Total expenditure £	Investment gains/ (losses) £	Transfers between funds £	Total funds carried forward £
Endowment Funds:						
Friends of Cathedral Music: Choir Scholarship	53,790			(2,151)		51,639
Total Endowment Funds	53,790	-	-	(2,151)	-	51,639
Restricted Funds:						
Church Commissioners:						
Church Commissioners Stipends	-	145,084	(145,084)	-	-	-
Church Commissioners S28 grant	-	175,038	(175,038)	-	-	-
Cathedrals Sustainability Fund		190,447	(190,062)	-	-	385
				-	-	-
Fabric:				-	-	-
Building & Heritage Fund	17,701	-	-	-	-	17,701
National Lottery Heritage Fund	58,880	47,104	(38,669)	-	-	67,315
Net Zero Carbon Programme: Quick Wins	-	50,000	(9,818)	-	-	40,182
				-	-	-
Music:				-	-	-
Michael James Organ Scholarship	-	2,000	(2,000)	-	-	-
Friends of Cathedral Music: Choir Scholarship	-	1,495	(1,495)	-	-	-
Cathedral Sing	1,847	13,500	(7,936)	-	-	7,411
Cathedral Music Trust: Small Sounds	-	968	(968)	-	-	-
Big Give: Sing Joyfully	-	24,879	(24,879)	-	-	-
Festival of Early Music	-	6,250	(6,250)	-	-	-
Other Donations for Music	-	19,655	(16,871)	-	-	2,784
				-	-	-
Education and Outreach:				-	-	-
Support For Education	-	1,000	(1,000)	-	-	-
				-	-	-
Other:				-	-	-
Rough Sleeping Prevention & Recovery	-	13,285	(13,285)	-	-	-
QARNNS – Chapel of Healing	6,771	-	(1,050)	-	-	5,722
Sunyani Fund	1,100	-	-	-	-	1,100
Other Restricted Donations	-	1,440	(1,440)	-	-	-
Total Restricted Funds	85,299	692,145	(635,845)	-	-	142,600
Unrestricted Funds:						
General Fund	44,635	651,444	(969,624)	-	367,074	93,530
Total Unrestricted Funds	44,635	651,444	(969,624)	-	367,074	93,530
Designated Funds:						
William Groves Legacy	1,613,783	-	-	(38,740)	-	1,575,043
Accrued Legacies	436,343	-	-	-	(364,973)	71,370
Fixed Assets	4,158,011	-	-	-	(2,301)	4,155,710
Lunch Club	16,467	-	-	-	200	16,667
Total Designated Funds	6,224,604	-	-	(38,740)	(367,074)	5,818,790
TOTAL FUNDS	6,409,328	1,343,589	(1,605,468)	(40,891)	-	6,106,558

20 ANALYSIS OF MOVEMENTS IN FUNDS (continued)
2024

	Total funds brought forward £	Total income and endowments £	Total expenditure £	Investment gains/ (losses) £	Transfers between funds £	Total funds carried forward £
Endowment Funds:						
Friends of Cathedral Music: Choir Scholarship	52,586	-	-	1,204	-	53,790
Total Endowment Funds	52,586	-	-	1,204	-	53,790
Restricted Funds:						
Church Commissioners:						
Church Commissioners Stipends	-	141,900	(141,900)	-	-	-
Church Commissioners S28 grant	-	167,240	(167,240)	-	-	-
Cathedrals Sustainability Fund	(131)	219,624	(219,493)	-	-	-
				-	-	-
Fabric:				-	-	-
Building & Heritage Fund	17,701	-	-	-	-	17,701
National Lottery Heritage Fund	-	58,880	-	-	-	58,880
				-	-	-
Music:				-	-	-
Michael James Orgar Scholarship	182	-	(182)	-	-	-
Friends of Cathedral Music: Choir Scholarship	-	1,476	(1,476)	-	-	-
Cathedral Sing	10,741	1,800	(10,694)	-	-	1,847
Cathedral Music Trust: Choirs Emergency Fund	9,000	-	(9,000)	-	-	-
				-	-	-
Education and Outreach:				-	-	-
Support For Education	-	2,000	(2,000)	-	-	-
The Jerusalem Trust	8,537	10,000	(18,537)	-	-	-
				-	-	-
Other:				-	-	-
AEC Bursary	-	255	(255)	-	-	-
QARNNS – Chapel of Healing	6,771	-	-	-	-	6,771
Sunyani Fund	1,470	3,204	(3,574)	-	-	1,100
Total Restricted Funds	54,271	606,379	(574,351)	-	-	86,299
Unrestricted Funds:						
General Fund	211,431	1,067,233	(850,578)	-	(383,451)	44,635
Total Unrestricted Funds	211,431	1,067,233	(850,578)	-	(383,451)	44,635
Designated Funds:						
William Groves Legacy	1,640,537	-	-	23,246	(50,000)	1,613,783
Accrued Legacies	-	-	-	-	436,343	436,343
Fixed Assets	4,162,212	-	-	-	(4,201)	4,158,011
Lunch Club	15,158	-	-	-	1,309	16,467
Total Designated Funds	5,817,907	-	-	23,246	383,451	6,224,604
TOTAL FUNDS	**6,136,195**	**1,673,612**	**(1,424,929)**	**24,450**	**-**	**6,409,328**

Further information on the nature and purpose of each fund is given in note 22.

21 TRANSFERS BETWEEN FUNDS 2025

Several transfers between funds were made in 2025, of which the most significant was £364,973 transferred from the designated Accrued Legacies fund to the unrestricted General Fund. The Accrued Legacies fund was created at 31 December 2024 to recognise legacy income accrued in the financial statements but not yet received at that date. The transfer to unrestricted funds in 2025 recognises that part of the legacy income accrued at 31 December 2024 which was received in 2025 and is now available for general charitable use.

22 DESCRIPTION OF FUNDS

Endowment Funds
Friends of Cathedral Music – Choir Scholarship: This a capital fund to be retained permanently. Income arising from the fund is to be applied to a restricted income fund for a choral scholarship.

Restricted Funds
Church Commissioners Stipends: Salaries of the Dean and two Residential Canons paid directly by the Church Commissioners.

Church Commissioners S28 grant: Grant from the Church Commissioners towards the cost of employing lay staff and other clergy.

Cathedrals Sustainability Fund: Grants from the Church Commissioners to fund staff posts and projects, aimed at enhancing long-term financial sustainability.

Building and Heritage Fund: Formed to consolidate existing funds related to buildings and heritage

National Lottery Heritage Fund: Grant for the creation of a new visitor welcome area in the South Transept of the Cathedral.

Net Zero Carbon Programme – Quick Wins: Grant from the Archbishop's Council to support simple, low-cost changes that will reduce Cathedral energy costs and carbon emissions.

Michael James Organ Scholarship: Funds donated towards the costs of an Organ Scholar.

Friends of Cathedral Music – Choir Scholarship: Restricted income fund arising from the related endowment. The income is to be spent on providing a Choral Scholarship.

Cathedral Sing: Grant funding from Hive in 2024 and the Cathedral Music Trust in 2025 to fund Cathedral Sing, a music programme consisting of classroom workshops and community-based events for children and teachers in primary schools.

Cathedral Music Trust – Choirs Emergency Fund: Grant towards the cost of the Cathedral choirs.

Cathedral Music Trust – Small Sounds: Grant for a weekly Cathedral music group for children aged 0 to 5 and their families.

Big Give – Sing Joyfully: Funds raised through the Big Give to support Portsmouth Cathedral's rich musical tradition, funding school outreach, choral and organ scholarships, and uplifting sung worship.

Festival of Early Music: Donations to support the Cathedral's annual Festival of Early Music.

Other Donations for Music: Other donations received to support the work of the Cathedral's music department.

Support For Education: Contributions received to the costs of educational activities.

The Jerusalem Trust: Contributions received to the costs of educational activities.

Rough Sleeping Prevention & Recovery : Grant income for the winter provision of 12 emergency night bed spaces in Beckett Hall in partnership with Portsmouth City Council

QARNNS – Chapel of Healing and Reconciliation: This fund represents monies raised to fund improvements and enhancements to the chapel of healing and reconciliation.

Sunyani Fund: Funds raised from events and congregational giving, used to support the St. Anselm's Cathedral and Diocese of Sunyani, Ghana.

AEC Bursary: Travel bursary for CMT meeting.

Other Restricted Donations: Other donations under £2,000 received for restricted purposes.

Unrestricted Funds
General Fund: These funds are unrestricted and available to further the Cathedral's charitable purposes.

Designated Funds
William Groves Legacy: Funds originally arising from the legacy of William Groves and earmarked by Chapter for longer term application. Includes investments and investment property.

Accrued Legacies: Legacy income accrued but not yet received by the end of the financial year.

Fixed Assets: Residential properties and other fixed assets owned by the Cathedral. These funds are not readily realisable. Excludes any assets held for restricted purposes.

Lunch Club: Funds raised by the Cathedral Lunch Club.

23 CAPITAL COMMITMENTS

There were no material amounts contracted for but unprovided for at 31 December 2025 or 31 December 2024.

24 OPERATING LEASE COMMITMENTS

At 31 December 2025 the Cathedral had commitments to make the following future payments under non-cancellable operating leases:

	2025	2024
	£	£
Payments due < 1 year	4,330	4,533
Payments due > 1 year and < 5 years	350	4,679
	4,680	9,212

25 PENSION SCHEMES

Portsmouth Cathedral participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
    a. a deferred annuity section known as Pension Builder Classic, and,
    b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable for that year: 2025 - £33,972, 2024 - £31,879.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2026, the Board chose to grant a discretionary bonus of 10% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 1997 service so that the pension increase was also 10% (where usually it would be calculated based on inflation up to an annual cap of 5% for pensions in payment in respect of service prior to April 2006 and 2.5% for pensions in payment in respect of service post April 2006). This followed improvements in the funding position over 2025. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time. The next valuation is being carried out as at 31 December 2025.

The legal structure of the scheme is such that if another employer fails, Portsmouth Cathedral could become responsible for paying a share of the failed employer's pension liabilities.

26 RECONCILIATION OF NET MOVEMENT IN FUNDS TO OPERATING CASH FLOW

	2025 Total Funds £	2024 Total Funds £
Net income/(expenditure) before investment gains/losses	(261,879)	248,683
Investment income	(105,726)	(71,003)
Loss on write off of fixed asset	-	-
Operating surplus/(deficit)	(367,605)	177,680
Depreciation charges	4,235	4,201
(Increase)/decrease in stocks	8,802	(247)
Decrease/(increase) in debtors	291,518	(246,394)
Increase/(decrease) in creditors	44,286	48,418
Net cash inflow/(outflow) from operations	**(18,764)**	**(16,342)**